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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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SPRING WORK GOING SLOWLY—FAVORABLE LIVESTOCK SITUATION

The flareback of winter last month, together with heavy rains over much of the country, slowed up the spring program considerably. The South now appears to have its work well along but throughout many sections of the North and West farmers are chafing at the wet weather and general backwardness. One favorable result, especially in the western Wheat Belt, is an excellent supply of moisture stored up in the soil.

Cotton planting is moving toward completion in the northern part of the Belt, while farther south the plant is making rapid growth. Corn and potato plantings are progressing northward wherever the land has been dry enough to be worked. Small grain is mostly in the ground after many delays and is making a fairly promising start. Pastures started early this spring and livestock has already been turned out to grass quite generally in the North and East, thus easing the feed situation.

Winter wheat likewise took an early lease on life this spring and most reports tell of a heavy growth and good color. The extent of abandonment of wheat acreage will be estimated on May 9.

It does not look like so much of a fruit year as that of last season, if the early happenings are any indication. The April frosts cut California peaches, cherries, plums, prunes, almonds, raisin grapes, and pears apparently from one-fourth to one-half below last year's heavy crops. The Pacific coast losses in fruit and vegetables, together with local damage in the East, will affect the whole produce situation to some extent. Southern vegetable supplies, however, are heavier and earlier than last spring. New crop shipments in March and April were about one-fourth heavier than last year.

The livestock situation continues generally favorable for producers. Cattlemen in the West had a long, hard winter, but the ranges are showing grass once more and the cattle market braced up last month in quite marked contrast to the winter's weakness. Prices of stocker and feeder cattle and low-grade slaughter cattle are near the highest levels on record. There were not quite as many cattle on feed, for market, April 1 as a year ago.

The lamb market continues at a high level, promising the second-highest average price for fed lambs since the war. However, the wool market has been weak recently and growers are disturbed by the failure of buyers to offer advance contracts for this season's clip.

The market supply of hogs since February 1 has been much smaller than last year and prices much higher. Hog prices have advanced and corn prices declined lately until the ratio is now favorable for feeders.

CONDITION OF WINTER GRAIN AND PASTURE AS OF APRIL 1, 1929

Comparison of condition figures (representing per cent of normal) for the United States as a whole:

CONDITION: UNITED STATES

	Winter wheat	Rye	Pasture
10-year average 1919-1928:			
December 1-----	83.2	87.8	-----
April 1-----	80.9	85.2	-----
December 1, 1928-----	84.4	84.4	-----
April 1, 1927-----	84.5	86.4	86.8
April 1, 1928-----	68.8	79.3	80.7
April 1, 1929-----	82.7	84.9	85.6

Generally speaking, fall-sown crops and pastures came through the winter in somewhat above average condition. Abandonment of wheat and rye is apparently somewhat below average. Pastures are average or better everywhere, except in the Pacific Coast States, where both the fall and winter were deficient in moisture.

Winter wheat.—Winter wheat showed up better than usual on April 1, having a reported condition of 82.7 per cent of normal, compared with the very low condition of 68.8 per cent last year, and the 10-year average of 80.9 per cent.

Conditions were close to average in the Plains States, except the Southwest, where they were noticeably better. Conditions for the Eastern States were above normal, and distinctly above normal in the Upper Mississippi and Ohio Valley States. Michigan was below average. The Pacific Coast States showed conditions considerably below average at this date.

Abandonment is not estimated until May 1. Judging, however, from the close relation that has existed in the past between the April 1 condition and the percentage of winterkilling, and from reports of correspondents concerning probable abandonment, the loss this year will be considerably below the 10-year average of about 12 per cent. While too early to fix a definite figure because of the further loss that frequently occurs in April, the best indications point to about 7 per cent loss from winterkilling. No large area appears to be suffering extreme loss of acreage this year such as occurred last year, when two-thirds of the planted acreage of soft red winter wheat in the Ohio Valley States was lost. The acreage loss in that region this year promises to be very light, except in Illinois. In the hard red winter wheat area of the West Central States, as well as in the Pacific Coast States, loss promises to be heavier, approaching 10 per cent in the Plains area and in the West Coast States.

Rye.—The condition of rye is reported as 84.9 per cent, which is compared with 79.3 per cent on April 1, 1928, 86.4 per cent two years ago, and 85.2 per cent, the 10-year average April 1 condition.

Weather conditions generally have been more favorable than a year ago. In the Ohio Valley the condition is in marked contrast to a year ago, when the lowest condition on record was reported.

The reported condition of 77 per cent in North Dakota, the principal rye-producing State, is probably not especially significant, since the crop had just emerged from the snow cover on April 1.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

	March, 1928	February, 1929	March, 1929	Month's trend
PRODUCTION				
Pig iron, daily (thousand tons) -	103	114	120	Higher.
Bituminous coal (million tons) -	44	47	39	Lower.
Steelingots (thousand long tons) -	4, 508	¹ 4, 318	5, 049	Higher.
CONSUMPTION				
Cotton by mills (thousand bales) -	581	598	633	Do.
Unfilled orders, Steel Corporation (thousand tons).	4, 335	4, 144	4, 411	Do.
Building contracts in 27 Northeastern States (million dollars).	522	305	421	Do.
Hogs slaughtered (thousands) -	2, 892	2, 406	2, 015	Lower.
Cattle slaughtered (thousands) -	940	787	923	Higher.
Sheep slaughtered (thousands) -	814	839	835	Lower.
MOVEMENTS				
Bank clearings (New York) (billion dollars).	35	36	42	Higher.
Carloadings (thousands) -	¹ 4, 753	3, 768	4, 808	Do.
Mail-order sales (million dollars).	42	46	53	Do.
Employees, New York State factories (thousands).	464	482	491	Do.
Average price 25 industrial stocks (dollars).	256	351	355	Do.
Interest rate (4-6 months' paper, New York) (per cent).	4. 13	5. 50	5. 88	Do.
Retail food price index (Department of Labor). ²	151	154	153	Lower.
Wholesale price index (Department of Labor). ³	96	97	98	Higher.

¹ Revised.² 1913=100.³ 1926=100.

Data on this page, excepting livestock slaughter and price indexes, are from the "Survey of Current Business," Bureau of the Census, United States Department of Commerce.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

Actual prices received by producers at local farm markets as reported to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

	5-year average, August, 1909- July, 1914	March, average 1910- 1914	March, 1928	Febru- ary, 1929	March, 1929
Cotton, per pound-----cents--	12. 4	12. 4	17. 8	18. 0	18. 8
Corn, per bushel-----do-----	64. 2	61. 3	86. 2	86. 8	88. 7
Wheat, per bushel-----do-----	88. 4	88. 9	121. 6	104. 2	104. 7
Hay, per ton-----dollars-----	11. 87	12. 06	10. 19	12. 06	12. 37
Potatoes, per bushel-----cents--	69. 7	67. 5	113. 1	59. 5	58. 4
Oats, per bushel-----do-----	39. 9	40. 3	54. 5	47. 0	46. 6
Beef cattle, per 100 pounds -----dollars-----	5. 22	5. 29	8. 81	8. 89	9. 16
Hogs, per 100 pounds-----do-----	7. 23	7. 41	7. 48	8. 88	10. 00
Eggs, per dozen-----cents-----	21. 5	19. 3	23. 4	31. 9	28. 0
Butter, per pound-----do-----	25. 5	25. 6	43. 9	45. 2	45. 2
Butterfat, per pound-----do-----			46. 5	47. 8	48. 3
Wool, per pound-----do-----	17. 7	18. 7	35. 4	35. 8	35. 5
Veal calves, per 100 pounds -----dollars-----	6. 75	6. 92	11. 34	12. 17	12. 51
Lambs, per 100 pounds-----do-----	5. 91	6. 22	12. 31	12. 60	13. 12
Horses, each-----do-----	142. 00	144. 00	85. 00	79. 00	83. 00

While hog prices were making sharp advances from February 15 to March 15, the farm price of corn showed only a comparatively small change. This resulted in considerable improvement in the feeding ratio, the corn-hog ratio for the United States being 11.3 on March 15, as compared with 10.2 on February 15 and 8.7 a year ago. The ratio for Iowa was 13.6 on March 15, 11.5 a month ago, and 9.0 in March, 1928.

After an almost continuous decline from the peak reached last September, the farm price of beef cattle advanced approximately 3 per cent from February 15 to March 15. The farm price advance for the country as a whole was accompanied by a decline in cattle receipts at principal markets. Receipts of all cattle at 7 primary markets for the 4-week period ending March 16 were about 4 per cent below receipts during a corresponding period ending February 16.

The farm price of corn advanced about 2 per cent from February 15 to March 15. At 89 cents per bushel, the farm price on March 15 compared with 86 cents a year ago. The advance in the farm price from February 15 to March 15 was accompanied by a continued strong export situation, expectations of a relatively low yield in Argentina, and a considerably smaller increase in commercial corn stocks than occurred last year.

The farm price of potatoes declined about 2 per cent from February 15 to March 15. Price declines of approximately 6 per cent in northern producing areas and 1 per cent in the South Central States were partly offset by a 5 per cent price advance along the South Atlantic seaboard. The average farm price in the Far West held steady on March 15 at the February 15 figure.

PRICE INDEXES FOR MARCH, 1929

Farm products figures from this bureau; commodity groups from Bureau of Labor Statistics (latter shown to nearest whole number). Shows year ago and latest available month.

FARM PRODUCTS

[Prices at the farm; August, 1909-July, 1914=100]

	March, 1928	February, 1929	March, 1929	Month's trend
Cotton.....	144	145	152	Higher.
Corn.....	134	135	138	Do.
Wheat.....	138	118	118	Unchanged.
Hay.....	86	102	104	Higher.
Potatoes.....	162	85	84	Lower.
Beef cattle.....	169	171	176	Higher.
Hogs.....	103	123	138	Do.
Eggs.....	109	148	130	Lower.
Butter.....	172	177	177	Unchanged.
Wool.....	199	202	199	Lower.

COMMODITY GROUPS

[Wholesale prices; 1926=100]

	March, 1928	February, 1929	March, 1929	Month's trend
Farm products.....	104	105	107	Higher.
Foods.....	98	98	98	Unchanged.
Hides and leather products.....	124	109	108	Lower.
Textile products.....	96	96	96	Unchanged.
Fuel and lighting.....	81	81	81	Do.
Metals and metal products.....	98	104	106	Higher.
Building materials.....	91	98	98	Unchanged.
Chemicals and drugs.....	96	96	96	Do.
House-furnishing goods.....	98	97	96	Lower.
All commodities.....	96	97	98	Higher.

GENERAL TREND OF PRICES AND WAGES

[1910-1914=100]

Year and month	Whole-sale prices of all commodities ¹	Industrial wages ²	Prices paid by farmers for commodities used in			Farm wages	Taxes ³
			Living	Pro-duction	Living pro-duction		
1910-----	103	-----	98	98	98	97	-----
1911-----	95	-----	100	103	101	97	-----
1912-----	101	-----	101	98	100	101	-----
1913-----	102	-----	100	102	100	104	-----
1914-----	100	-----	102	99	101	101	100
1915-----	103	101	107	103	106	102	102
1916-----	129	114	125	121	123	112	104
1917-----	180	129	148	152	150	140	106
1918-----	198	160	180	176	178	176	118
1919-----	210	185	214	192	205	206	130
1920-----	230	222	227	175	206	239	155
1921-----	150	203	165	142	156	150	217
1922-----	152	197	160	140	152	146	232
1923-----	156	214	161	142	153	166	246
1924-----	152	218	162	143	154	166	249
1925-----	162	223	165	149	159	168	250
1926-----	154	229	164	144	156	171	253
1927-----	149	231	161	144	154	170	-----
1928-----	153	232	-----	-----	-----	169	-----
March-----	-----	-----	-----	-----	-----	-----	-----
1921-----	158	212	-----	-----	-----	-----	-----
1922-----	145	193	-----	-----	-----	-----	-----
1923-----	161	212	-----	-----	-----	-----	-----
1924-----	153	222	-----	-----	-----	-----	-----
1925-----	164	224	-----	-----	-----	-----	-----
1926-----	154	229	-----	-----	-----	-----	-----
1927-----	148	234	161	143	154	166	-----
1928-----	150	233	162	145	155	166	-----
1928-----	-----	-----	-----	-----	-----	-----	-----
August-----	155	231	-----	-----	-----	-----	-----
September-----	157	234	163	144	156	-----	-----
October-----	153	234	-----	-----	-----	175	-----
November-----	151	233	-----	-----	-----	-----	-----
December-----	151	237	-----	-----	-----	-----	-----
1929-----	-----	-----	-----	-----	-----	-----	-----
January-----	152	234	-----	-----	-----	162	-----
February-----	151	236	-----	-----	-----	-----	-----
March-----	153	239	-----	-----	-----	-----	-----

¹ Bureau of Labor Statistics. Index for 1928 obtained by multiplying new series by 156.6.

² Average weekly earnings, New York State factories. June, 1914=100.

³ Index of estimate of total taxes paid on all farm property. 1914=100.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base; August, 1909–July, 1914=100]

Year and month	Index numbers of farm prices							Prices paid by farmers for commodities bought ¹	Ratio of prices received to prices paid
	Grains	Fruits and vegetables	Meat animals	Dairy products	Poultry products	Cotton and cottonseed	All groups, 30 items		
1910.....	104	91	103	100	104	113	103	98	106
1911.....	96	106	87	97	91	101	95	101	93
1912.....	106	110	95	103	101	87	99	100	99
1913.....	92	92	108	100	101	97	100	100	99
1914.....	103	100	112	100	105	85	102	101	101
1915.....	120	83	104	98	103	78	100	106	95
1916.....	126	123	120	102	116	119	117	123	95
1917.....	217	202	173	125	157	187	176	150	118
1918.....	226	162	202	152	185	245	200	178	112
1919.....	231	189	206	173	206	247	209	205	102
1920.....	231	249	173	188	222	248	205	206	99
1921.....	112	148	108	148	161	101	116	156	75
1922.....	105	152	113	134	139	156	124	152	81
1923.....	114	136	106	148	145	216	135	153	88
1924.....	129	124	109	134	147	211	134	154	87
1925.....	156	160	139	137	161	177	147	159	92
1926.....	129	189	146	136	156	122	136	156	87
1927.....	128	155	139	138	141	128	131	154	85
1928.....	130	146	150	140	150	152	139	-----	-----
March—									
1921.....	131	125	125	160	131	80	123	-----	-----
1922.....	111	181	118	133	118	131	123	-----	-----
1923.....	117	130	110	148	130	224	136	(153)	89
1924.....	114	123	104	146	109	219	131	(154)	85
1925.....	172	138	145	137	124	195	151	(159)	95
1926.....	133	220	147	141	128	133	140	(156)	89
1927.....	121	140	144	139	115	102	126	154	82
1928.....	136	174	139	142	122	147	137	137	89
1928									
August.....	120	137	162	135	140	153	139	(156)	89
September.....	117	127	174	141	156	142	141	156	91
October.....	116	114	160	143	168	147	137	² 156	² 88
November.....	110	109	150	144	185	146	134	² 156	² 86
December.....	112	108	143	146	197	148	134	² 156	² 86
1929									
January.....	115	109	146	145	161	148	133	² 156	² 86
February.....	123	111	150	144	158	149	136	² 156	² 88
March.....	124	112	160	144	144	155	140	156	² 90

¹ These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

² Preliminary.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this bureau.

	Receipts					
	Wheat	Corn	Hogs	Cattle	Sheep	Butter
	<i>1,000 bushels</i>	<i>1,000 bushels</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000 pounds</i>
Total—						
1920-----	332, 314	210, 332	42, 121	22, 197	23, 538	402, 755
1921-----	435, 606	340, 908	41, 101	19, 787	24, 168	468, 150
1922-----	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923-----	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924-----	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925-----	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926-----	362, 876	234, 873	39, 772	23, 872	23, 868	572, 935
1927-----	455, 991	241, 245	41, 411	22, 763	23, 935	581, 592
1928-----	495, 450	335, 149	46, 527	21, 477	25, 597	578, 845
March—						
1920-----	16, 383	22, 510	3, 940	1, 662	1, 315	29, 241
1921-----	20, 927	32, 514	3, 386	1, 566	1, 750	29, 107
1922-----	19, 047	33, 930	3, 411	1, 622	1, 465	37, 468
1923-----	22, 081	24, 710	4, 928	1, 502	1, 430	41, 282
1924-----	17, 434	29, 405	4, 833	1, 556	1, 367	44, 082
1925-----	16, 925	23, 868	3, 528	1, 860	1, 504	40, 725
1926-----	15, 052	20, 080	3, 579	1, 811	1, 695	46, 077
1927-----	17, 504	18, 535	3, 754	1, 743	1, 558	45, 210
1928-----	24, 639	39, 520	4, 639	1, 465	1, 520	45, 748
1928						
April-----	17, 483	19, 724	3, 483	1, 684	1, 591	44, 721
May-----	24, 718	23, 289	3, 723	1, 799	1, 952	54, 427
June-----	13, 883	18, 345	3, 548	1, 558	1, 913	69, 650
July-----	64, 846	24, 535	2, 924	1, 650	1, 898	65, 145
August-----	78, 372	20, 485	2, 523	1, 829	2, 362	55, 339
September-----	72, 579	19, 608	2, 600	2, 191	3, 386	44, 969
October-----	82, 346	15, 305	3, 666	2, 541	3, 938	41, 884
November-----	40, 901	28, 641	4, 075	1, 963	2, 053	36, 616
December-----	31, 967	44, 128	4, 773	1, 510	1, 610	36, 863
1929						
January-----	21, 307	37, 993	5, 061	1, 635	1, 876	44, 922
February-----	26, 154	31, 818	3, 922	1, 191	1, 543	41, 557
March-----	25, 788	21, 775	3, 378	1, 445	1, 526	46, 186

A little more wheat moved to market during March than in the same month last year and decidedly more than in other recent years. The March movement of corn was lighter than last year. Market receipts of hogs during March were decidedly less than last year; cattle and sheep receipts about like last year; butter showed slight increase.

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by division of statistical research of this bureau.

Year and month	Wheat, ¹ including flour	Tobacco (leaf)	Bacon, ² hams and shoulders	Lard	Total ³ meats	Cotton, ⁴ running bales
	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 bales
Total—						
1920-----	311, 601	467, 662	821, 922	612, 250	1, 043, 500	6, 111
1921-----	359, 021	515, 353	647, 680	868, 942	786, 280	6, 385
1922-----	235, 307	430, 908	631, 452	766, 950	733, 832	6, 015
1923-----	175, 190	474, 500	828, 890	1, 035, 382	958, 472	5, 224
1924-----	241, 454	546, 555	637, 980	944, 095	729, 832	6, 653
1925-----	138, 784	468, 471	467, 459	688, 829	547, 361	8, 362
1926-----	193, 971	478, 773	351, 591	698, 961	428, 613	8, 916
1927-----	228, 576	506, 252	237, 720	681, 303	302, 795	9, 199
1928-----	151, 976	575, 408	248, 278	759, 722	315, 586	8, 546
March—						
1920-----	17, 324	45, 411	106, 091	69, 430	121, 886	790
1921-----	21, 039	45, 445	54, 452	82, 617	63, 091	368
1922-----	14, 673	32, 967	54, 763	64, 377	62, 231	452
1923-----	11, 011	31, 688	66, 441	109, 187	75, 934	310
1924-----	9, 659	61, 172	66, 695	100, 726	74, 464	315
1925-----	16, 480	32, 477	53, 853	63, 281	62, 158	708
1926-----	7, 039	36, 167	34, 133	64, 259	40, 641	512
1927-----	9, 183	41, 669	18, 108	53, 040	23, 754	1, 084
1928-----	7, 492	45, 957	28, 016	79, 966	34, 713	596
1928						
April-----	7, 880	41, 218	22, 074	56, 554	28, 607	467
May-----	8, 793	38, 726	21, 711	55, 540	28, 148	578
June-----	8, 230	30, 278	23, 850	53, 436	29, 014	444
July-----	7, 193	19, 417	25, 851	52, 940	31, 268	331
August-----	14, 775	26, 200	14, 913	50, 658	31, 300	253
September-----	22, 732	56, 953	13, 956	46, 158	18, 685	810
October-----	28, 548	88, 109	10, 055	59, 865	15, 724	1, 241
November-----	16, 195	77, 599	14, 710	67, 716	20, 287	1, 428
December-----	12, 053	67, 583	18, 885	86, 358	23, 040	1, 058
1929						
January-----	9, 833	44, 166	24, 669	89, 932	31, 684	787
February-----	8, 948	48, 390	19, 512	65, 924	27, 129	613
March-----	9, 405	30, 602	23, 346	70, 572	31, 190	556

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Includes fresh, canned, and pickled beef; bacon, hams, and shoulders; fresh canned, and pickled pork; fresh mutton and lamb.

⁴ Excludes linters.

COLD-STORAGE SITUATION

[April 1 holdings (shows nearest million; i. e., 000,000 omitted)]

Commodity	5-year average	Year ago	Month ago	April 1, 1929
Apples.....barrels..	3	2	5	3
Creamery butter.....pounds..	9	6	12	6
American cheese.....do....	32	32	50	45
Case eggs.....cases..	¹ 1, 129	1, 087	11	550
Total poultry.....pounds..	89	83	89	69
Total beef.....do....	83	57	89	82
Total pork.....do....	825	998	945	924
Lard.....do....	117	165	174	180
Lamb and mutton, frozen...do....	3	3	3	3
Total meats.....do....	983	1, 133	1, 128	1, 099

¹ 3 figures omitted.

Cold-storage holdings of apples were reduced during March by 1,798,000 barrels. This compares with a reduction for the same period a year ago of 1,245,000. Stocks were in excess of last April by 265,000 barrels, but 295,000 barrels less than the 5-year average.

Stocks of creamery butter were cut to 5,535,000 pounds, which placed them below April a year ago by 181,000 pounds, and below the 5-year average by 3,439,000 pounds. The out-movement during the month was 6,375,000. The reduction in stocks for the same period last year was 8,688,000 pounds. However, the March 1 stocks of that year were 14,404,000, or 2,494,000 heavier than March 1, 1929.

The into-storage movement of shell eggs was much below normal. Stocks were 550,000 cases, only, compared with 1,087,000 a year ago. The 5-year average is 1,129,000 cases.

The out-movement of frozen poultry was 21,349,000 pounds. This compares with a reduction in stocks for the same period a year ago of 20,325,000. The average movement is 21,394,000 pounds. Stocks were about 14,500,000 less than last year, and over 20,000,000 less than the 5-year average.

Stocks of frozen and cured beef were reduced by about 7,000,000 pounds. Holdings exceeded those of a year ago by 24,500,000, and were about 1,000,000 pounds less than the 5-year average.

There was a reduction in stocks of frozen and cured pork of nearly 20,500,000 pounds. A year ago, the month of March showed an increase in pork stocks of nearly 112,000,000 pounds. April 1 holdings this year were about 73,000,000 less than the same date last year.

Total stocks of all meats were 29,000,000 pounds less than a month ago; 34,000,000 less than last year on the same date; and about 116,000,000 heavier than the 5-year average.

There was an increase in stocks of lard amounting to nearly 6,000,000 pounds. They exceeded last year's holdings by 15,000,000, and the 5-year average by 62,500,000.

WILLIAM BROXTON,
Cold-Storage Report Section, B. A. E.

SUMMARY OF DAIRY STATISTICS

[Million pounds, 000,000 omitted]

PRODUCTION

	March			January to March, inclusive		
	1929	1928	Per cent change	1929	1928	Per cent change
Creamery butter--	112	110	+2.37	313	308	+1.48
Farm butter-----	39	40	-1.7	107	109	-1.70
Total butter----	151	150	+1.3	420	417	+0.70
Cheese-----	24	28	-17.2	66	76	-13.5
Condensed and evaporated milk--	148	152	-3.0	¹ 396	¹ 400	-1.0
Total milk equivalent--	3,787	3,807	-0.5	10,477	10,532	-0.5

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports, or exports]

Butter-----	158	159	-0.5	458	459	-0.3
Cheese-----	35	39	-12.2	111	113	-1.2
Condensed and evaporated milk--	140	158	-11.5	412	439	-6.3
Total milk equivalent--	4,007	4,118	-2.9	11,766	11,877	-1.0

¹ January and February figures revised to agree with quarterly preliminary report for 1928.

T. R. PIRTLE,
Division of Dairy and Poultry Products, B. A. E.

THE DAIRY SITUATION

Several weeks must pass yet before the flush season of dairy production arrives, but already there is the usual scurrying around for facts relating to probable developments, or even suggestions of what may take place. While it is too early to talk about definite tendencies, it is possible at this time to round up the more pertinent factors bearing on the situation.

Current production seems to be an especially important factor this year as one goes about the pre-season inventory. The estimate of

total United States butter production in March indicates an increase over March, 1928, of 2.3 per cent but a detailed analysis of the report which has just been released shows that this change does not apply equally in all the different sections and States. On the contrary, sectional changes are not at all uniform. There are, in fact, some changes which one might be inclined to question were it not possible to find fairly plausible explanations for them, for while a lack of uniformity may be expected where areas are far removed from each other, something more than the weather must be found as a cause when this occurs in areas neighboring to each other. More will be said regarding this later.

The increase in butter production mentioned is not to be taken, however, as reflecting total dairy production. For example, in so far as cheese production can be safely estimated at this time, the tendency is downward in just the opposite direction from butter and at a very much more rapid rate. In Wisconsin, cheese production the past 30 days is apparently a full 10 per cent below last year during the same time. At any rate, receipts of cheese at primary market warehouses scattered throughout the American cheese districts of the State are lighter by such an amount. The decrease in these warehouse receipts since January 1 amounts to almost 15 per cent less than in 1928. Incidentally, March butter production in Wisconsin is estimated to have been 1.3 per cent less than in March last year, despite the fact that in the neighboring States of Iowa and Minnesota there were increases of 4.6 per cent and 11 per cent, respectively. Just how these changes in butter and cheese production shall be interpreted in terms of Wisconsin's total dairy production is subject to question, for, in this connection, it is known that there have been increased demands from fluid-milk and cream channels.

In the case of cream, this also applies to some of the other middle western sections, for there have been very great increases in receipts of western cream in the New York City metropolitan area this year over last. Roughly, 1929 receipts are three times greater than during the same period in 1928, although the total cream receipts are only slightly heavier. This western cream is taking the place of shipments which last year came from near-by producing areas, some of which are not in a position to furnish such large quantities this year because of fluid-milk market demands. The success of long-distance cream shipments gives promise of continued growth of this business which has opened up more profitable outlets for mid-West plants, heretofore confined to the production of manufactured dairy products.

Dairy prices are showing the usual spring tendency to adjust themselves to slightly lower levels. Butter prices are about 3 cents lower than a month ago, and are averaging about the same as last year. A very narrow differential between top qualities and under-grades continues, indicating probably that buyers are shopping the market for low-cost goods, in anticipation of price declines, and are not interested in the better grades unless the price is "right."

Cheese prices are running a cent lower than a year ago. While production is lighter, the last report of total storage stocks of cheese, April 1, showed 45,000,000 pounds compared with 31,700,000 pounds on April 1, 1928.

Butter stocks have passed the low point for the season, and an into-storage movement has already started on a small scale. Some of

this increase is occurring on the Pacific coast, where the season is earlier than in the East, and part of it may be at certain interior points, where there are local or temporary surpluses.

Stocks of condensed and evaporated milk in manufacturers' hands on April 1 were a quarter of a million pounds heavier than the average April 1 carry-over. Production of this class of goods is estimated as about 3 per cent lighter in March than a year ago. During the past month, a general drop of evaporated milk prices was witnessed.

All in all, dairy markets are now more or less nervous and unsettled, and are apt to continue so for a few weeks. While evidence of the approaching season is to be found in occasional lots of butter showing grass color or one of the several typical spring flavors, these markets will hardly "find" themselves until the new season actually arrives.

L. M. DAVIS,

Division of Dairy and Poultry Products, B. A. E.

THE EGG AND POULTRY MARKET SITUATION

With the passing of April the egg markets have assumed a more normal course than that seen in February and March. The belated declines coming in March brought the general level down to a point where into-storage movement was possible and the situation became more comparable to previous years. The features of the market which have been receiving the most attention in April have been the changes in production as evidenced by market receipts, the reaction of prices and current storage demand, and the progress of the storage season as compared with last year.

Market supplies have shown considerable change compared with previous months. The situation in February and March, in which receipts showed marked decreases compared with the same months in 1928, has been reversed, and receipts in April, beginning with the second week, have been consistently heavier than last April. Up to April 23 arrivals have been about 12 per cent more than for the same period in 1928, with indications that this increase would carry on through the remainder of the month. From the first of the year to date receipts have totaled about 8 per cent less than in 1928. The change from a decrease to an increase, which has occurred in April, appears to have been largely seasonal. The unfavorable weather of February and March held production back from the usual seasonal increases, and the coming of favorable weather in April brought the production flush on with a rush. With the heavy producing period just well under way there may be a good possibility of the next few months' production making up the comparative shortage that exists to date.

Under the conditions described it is to be expected that storage holdings would be lighter than last year. On April 1 total storage holdings of shell eggs were reported as 550,000 cases, as compared with 1,087,000 a year ago and a 5-year average of 1,129,000 cases. During April storage movement, as indicated by reports from 26 important markets, has just about kept pace with last year. If these conditions continue the remainder of the month, May 1 holdings should show about the same shortage compared with a year ago as was seen on April 1. Of course, unexpectedly heavy movement in other cities and at country points could change this materially.

Egg prices have shown very little change during the month, as is usually the case. At this time of the year, with demand for storage always present to absorb any supplies not needed for current consumption, price levels are rather well "set," and price changes are confined to minor day-to-day fluctuations. The usual tendency is toward a very gradual advance of about one-half to 1 cent for the month. In this respect, the current month has run true to form. At New York, values have registered an advance this year, during April, of one-fourth to 1 cent for the various grades. This change is slightly less than the advance during the same period last year, and for this reason, prices at the close of the month were 1 to 2 cents below last year, while at the outset, they were practically at a parity. This year's prices, however, remain at a margin of 3 to 4 cents above comparable dates in 1927.

Heavier receipts and lighter into-storage movement, than a year ago, serve to indicate that movement into consuming channels has exceeded last April. The usual seasonal exports to South American ports have been reported, and at times this factor may have tended to prevent declines that otherwise might have occurred. Shipments, however, have been running somewhat under last year's mark. This is apparently due to competition from Ireland, Holland, and Germany, as dealers in these countries can land eggs in South American ports at lower prices than can United States firms.

A general view of the egg markets shows the current situation to be reasonably steady, and no drastic price changes should be expected. No particular enthusiasm has been shown for storing eggs, but there is always sufficient support at hand to forestall any decline to lower levels. The strength indicated by the very light storage holdings is counterbalanced by heavy receipts, and the look ahead must remain hazy until further developments in production and storing activity clarify the situation.

Receipts of poultry on the markets, both live and dressed, continue lighter than a year ago. The market, however, is apparently not quite as firm as it was last month. This is due, more than anything else, to an apparent slowing up of consumption in response to the relatively high prices which have prevailed most all of this year. Storage holdings were about 14,000,000 pounds lighter on April 1 than a year earlier, but it now appears that considerable of this difference has been wiped out. However, there is still quite a bit of confidence reported. Late hatchings this season have led to the belief that frozen poultry will be good property until late summer. The passover season has caused increased live-poultry shipments and temporarily firmer markets on this class of goods.

C. E. ECKLES,
Division of Dairy and Poultry Products, B. A. E.

FEED PRICES DURING THE PAST MONTH

Prices of feeds are considerably lower than a month ago. Supplies and offerings of most feeds have been more liberal during the past month than earlier in the season. Farm supplies of feed grain appear ample and pastures in most areas are becoming available earlier than usual. These factors have materially reduced the demand for feeds

and have been principally responsible for the downward trend in prices. Wheat bran was quoted at the close of the third week in April about \$2.50 to \$4 per ton lower and middlings and shorts \$1.50 to \$4 per ton lower than a month ago. High protein and corn by-product feeds have also declined sharply since the latter part of March. Thus the farmer's feed bill for April should have been relatively smaller than the one he paid in March.

Taking up the individual feeds, wheat mill-feed production was heavy during the past month; and although slightly below the output of a year ago, it was above the average of the same month of the past four years. Offal output has been decreasing since the middle of February. Part of this downward trend, however, is the usual seasonal decline.

Supplies and offerings of wheat feeds are generally in excess of the prevailing slow demand, and prices during the past month declined sharply. Bran is now \$2.50 to \$4 lower than a month ago and \$10 to \$11 cheaper than a year ago. Spring-wheat feeds were generally weaker than either the soft or hard winter-wheat feeds during the first week in April but became relatively stronger by the middle of the month. The heavier offal, while not declining as sharply as bran and middlings, was also weak. Stocks of screenings, which are an important source of feed in some markets, are large and have tended to lessen the demand for wheat mill feeds.

High-protein feeds are also quoted lower than a month ago. Cottonseed cake and meal prices have tended slowly downward since the first of the year and are now about \$9 to \$14 less than a year ago. The 1928 cotton crop was larger than the 1927 crop and there has been a corresponding increase in production of cottonseed cake and meal. Since the beginning of the season about 120,000 tons more cake and meal have been produced than during the same period last year. The outturn during March totaled about 167,225 tons. Notwithstanding this heavier production, the movement into consuming channels has been less, which has resulted in an accumulation of about 240,000 tons of cake and meal at mills April 1. This supply is twice as large as a year ago. The call for cottonseed cake and meal for fertilizer has been dull, but according to trade reports more meal is expected to be used in this manner than last year. Foreign takings have been smaller than a year ago.

Linseed meal prices have declined about \$4 per ton in the last month. Although prices at the beginning of this season were \$10 per ton higher than at the beginning of last season, they are now slightly lower than at this time last year. In the past month and a half the market has declined about one-half as much as it did during the last five months last season. Production of linseed meal in the Northwest and at eastern points has been quite light recently, but the small tonnage placed upon the market has been generally in excess of the market needs. Foreign demand for this feed also has been dull because of cheaper substitutes.

Corn by-product feeds are cheaper than a month ago. Gluten feed and meal are now quoted about \$6 to \$8 per ton lower than at the close of the third week in March but about the same as in April of last year. Hominy feed is selling at most markets about \$1 per ton lower than last month and \$5 to \$7 lower than a year ago. Liberal offerings of these feeds are meeting a slow demand at most points.

Some of this decline may be attributed to the lower corn markets, prices of that grain having declined about \$2 per ton in the past month.

Prices of alfalfa meal have declined somewhat during the past month and are \$4 to \$6 lower than a year ago. The month's decline was largely the result of a slow demand from mixed-feed manufacturers, who normally use large amounts of this feed. With arrivals of alfalfa hay, principally of the lower grades, manufacturers have found it difficult to produce a sufficient quantity of the better grades of meal to meet the demand. Offerings of low-grade and brown meal have been generally in excess of trade needs, and prices have declined. Production of alfalfa meal during March was the smallest monthly output since early in the season although the total outturn to date is well above that of last season.

Prices of tankage are about the same as a month ago. Production has been light, and with the fair demand for spring feeding of poultry and hogs, the market has been quite steady.

The dull feed-market situation, which has prevailed for the past three or four months, reflects an economic adjustment of supply to demand. Stocks of feed grains for the remainder of the season are materially larger than a year ago, but hay supplies are relatively small. Pastures are becoming available earlier than usual in most areas, and at the 1st of April the condition was well above last season and somewhat better than average. This will tend to offset the short hay supplies.

Prospective requirements during the remainder of the season for the liberal supplies of feed and feed grains are somewhat smaller than a year ago, since there are fewer hogs and cattle on feed than at this time last season. Less favorable markets for dairy and poultry products and hogs are also tending to reduce the consumption of feeds.

F. J. HOSKING,
Division of Hay, Feed, and Seed, B. A. E.

FRUIT AND VEGETABLE PROSPECTS

With only the early and second-early regions in full swing yet, it looks like an early, active year, in general, for truck crops but a lighter season for orchard fruits. These conditions, earliness and limited fruit production, have shown some tendency to appear on the odd years since 1921.

An early season has its good points. It makes the selling period longer; supplies from the South begin to move ahead of schedule time and spread out thinly, sometimes at higher prices. Sections shipping first are more likely to be out of the way when the second-early crops are ready and there is less of the mid-season glut, which often completely upsets values in a late season. The drawbacks of earliness include the shortening of the market season for storage stocks, making this year show a rather poor ending for northern potatoes, onions, cabbage, and apples. There is often much damage from frost and drought in an early season, and crop conditions are perhaps not so dependable.

FRUIT SITUATION DOUBTFUL

It is not so much of a fruit year anyway, if the early happenings are a fair sample. The great California freezing spell the first half of April will have its effect on the whole produce situation, especially on the canning and drying industries following a prospective loss of one-fourth to one-half of the peaches, cherries, plums, prunes, almonds, raisin grapes, and pears as compared with the heavy fruit production of last season. There was scattered damage to vegetable crops in the producing sections of the central valleys. Some lines of canned and dried fruits were promptly advanced in price after the disaster. Eastern canners are waiting to learn just how much damage has been done and what is the prospect for fruits in other sections. But the feeling is that much eastern fruit will be wanted by the factories, possibly at higher prices than were paid last season.

The Pacific Northwest, which had such a heavy fruit crop last year, is not making a very good beginning this season.

Elsewhere, ice damage in Michigan added to winter injury to fruit buds in the Middle West, besides some frost damage in late April, tends to cut down the crop possibilities. Florida citrus fruits have met rather unfavorable early conditions. Southern berries and peaches promise well for liberal fruit shipments throughout May and June, although there was some reduction from the output of strawberries forecast from the second-early shipping States. Later fruit prospects seem uncertain. Early blooming is often followed by considerable frost damage. It is the off year anyhow for the far West and for some eastern and southern districts which bore heavily last season.

APPLES AND CITRUS

The apple market season has been a little unsatisfactory at the end. Stock in storage began to break down earlier than expected, making much of it unfit for export just at the time when apples were again selling high at British and German auctions. Many eastern Baldwins, Winesaps, and Greenings were bringing \$6 to \$8 per barrel in foreign markets at one time this spring, but even these distant outlets were clogging again by the end of April. In the home market prevailing prices held a shade below the best of the season. There were some apples still bringing around \$2 per bushel near the 1st of May, but considerable stock sold near \$1.25, including such types as northeastern Ben Davis.

Northwestern apple growers are not feeling as blue as they were earlier in the season. The export trade proved their salvation by disposing of fully double the quantity exported last season. They had considerable stock injured by summer heat and not very well grown or well finished. Many of these plain apples were worked off in the export trade at about cost of production, leaving the growers to make whatever profit they could on the best grades. The price near the end of the season on standard lots was about 50 cents per box higher than it was last fall. There was little profit at that, taking all kinds together, but the production was large enough to leave the situation in fairly good shape for producers.

Growers of oranges and grapefruit have had to put up with a season of low prices, because of the heavy production, with much of the eastern crop not very strong in market qualities. Efforts to keep

shipments within limits did not prevent an output far exceeding the usual supply. Florida growers are confronted now with the probability that extreme measures will be needed to destroy the Mediterranean fruit fly, which so far as known is found only in a very limited area. Otherwise growers view the coming market season hopefully, with expectation of reduced supplies, because of the lighter bloom of the early varieties of oranges and grapefruit. They look for favorable results from their advertising campaign and from a plan to prevent shipment of green fruit.

ORDERLY BERRY SEASON

The berry situation was helped in a general way by the early season which gave the six early States, with their production increased by 20 per cent this year, more time to get out of the way of the mid-season sections, where most of the market trouble occurred last year. Seven second-early States, with production reduced possibly 9 per cent, will have less severe competition this year in May and June and perhaps less unsatisfactory prices. The Florida berry crop turned out well enough. Louisiana berries, with a larger production and the quality not so good, started fairly high, but the April price level was mostly lower than for the preceding two seasons. The beginning of shipments from the second-early section 10 days earlier than in 1928 tended to hamper distribution of the last of the early crop.

NEAR-FRUIITS SHOW FAIR PROMISE

The more liberal planting of early cantaloupes, especially of the Honey Ball type, in southern and central California is offset somewhat from the market point of view by the rather poor growing condition of much of the early crop in the fields and the probably lighter output of early western tree fruits and of mid-season eastern strawberries.

The probability of a lighter early melon acreage, more like that of 1926 or 1927, than the very heavy planting of last season, will have its bearing on the market position of the fruits and near fruits. The liberal supply of tomatoes in the early spring months resulted from the season's earliness and from the acreage larger by fully one-third in eastern Florida, besides some increase in arrivals from Mexico and the West Indies. Tomato acreage is liberal in most sections, but leaving out eastern Florida, the combined northern and southern plantings and acreage intended, show as yet no great change compared with last season, which was a year of large acreage but low yield on the market and cannery crop.

SEASON'S EARLY FEATURES

While the season so far may not be very good for orchard fruit, it has been favorable for some of the southern truck crops, and the early supplies have been liberal. New crop shipments in March and April were about one-fourth heavier than last season, the gains applying to nearly the whole list. On the other hand, some trucking sections of the Pacific coast are 10 to 15 days late compared with last season and the yield reduced by frost damage on early potatoes, peas, string beans, asparagus, cauliflower, and spinach.

Among the season's outstanding features, then, are the earliness in the South and lateness in the far West, the dubious fruit prospects

in some sections, the low price of potatoes, and the sharp cut in potato acreage, especially in the South and West.

Less prominent items are the intended reduction of 20 per cent in southern string bean acreage, the cut of 10 per cent in southern melon planting, and the liberal increase in cantaloupe acreage of California. There is a 12 per cent increased production forecast for cabbage in the second-early States; a tendency to larger onion acreage in the South and West, a 20 per cent increased production of strawberries in the lower South and probably a decreased output in the middle South. Contrasting with the poorer early prospects of some tree fruits, there are indications of another large crop of southern peaches.

Apple exports and the car-lot movement of oranges and grapefruit continue active late in the shipping season. Shipments and imports of early tomatoes have been heavy. The usual tendency appears toward increased production and shipment of the leafy vegetables, including lettuce, cabbage, celery, cauliflower, spinach, and asparagus. Early reports indicate gains of 3 to 6 per cent in acreage of corn, tomatoes, and peas for canning.

POTATO POSITION BETTER

May is the last active month of the old-potato shipping season. It starts with conditions unsettled but no doubt a little better, compared with the season's worst period, early in April. Apparently the limit had been reached and holders would not ship many potatoes at such prices as 15 to 25 cents a bushel in producing sections. Probably the best of the eastern potatoes have been disposed of at some price, but no great rise was expected in view of the liberal reserves still left in the Middle West. The car-lot shipment figures show that many districts have not shipped as many potatoes as they shipped last season, although the crop was much larger.

With southern potato acreage reduced one-fourth, the yield lighter, and the market season prolonged by the early start, the new crop has been selling about as well as could be expected in view of the low price of old potatoes. The whole potato situation seems to be getting in line for better things as compared with the generally disastrous market season of 1928-29. With old potatoes out of competition soon, the general supply should be moderate this summer, but the acreage probably was not cut enough in the East to indicate as yet anything other than about average general market prospects.

ONION SHIPMENTS LIBERAL

Shipments of Texas onions seem likely to be less rather than more than the 6,800 cars estimated early in the season. Much of the supply has been of ordinary quality, and shipping point quotations soon reached levels not far above the low figures of last season. The lateness and moderate yield of the California crop is likely to give the southern onion shippers a fairly clear market, with the height of their season past before much western stock arrives in early May.

The old main-crop onion season closed with shipment total about 15 per cent less than that of the season before. The large decreases were in Ohio, Indiana, New York, and Massachusetts. A few sales of Egyptian and Chilean onions have been made. Onion imports have not been heavy this spring, and the oversupplied condition of the market affords slight attraction to importers. Reports of liberal

plantings in the Rocky Mountain region suggest that growers expect to take up any slack which may result from the higher tariff on Spanish-type onions.

MORE CABBAGE AND LETTUCE

The cabbage shipping season, low price and all, is moving up into the second-early region extending from the Carolinas westward. This area is reported producing one-fourth more cabbage than in 1928. Prices have contrasted sharply with the high levels of a year ago. Recent activity encourages the hope that the second-early crop will move along fast enough to clear the way for Virginia, Maryland, and States to the west. Acreage apparently having been reduced a little in this latter group, the cabbage situation may straighten out before the early market season is over.

Lettuce shipments are exceeding the extremely heavy output of last season to date, yet the price level has held up remarkably well. It seems fair to conclude that the demand for this product is increasing, particularly for the western type of head lettuce. The rains of April tended to increase the size and firmness of the heads, according to reports from the Phoenix district, and market quality is good. Eastern lettuce growers also did fairly well last season and are reported to have shifted some former onion or cabbage land to this crop.

G. B. FISKE,

Division of Fruits and Vegetables, B. A. E.

FARM INCOME, BUSINESS ACTIVITY, AND POPULATION MOVEMENT

The data on population movement for the past seven years ¹ when related to agricultural and industrial conditions demonstrate the importance of the economic factor in determining year-to-year changes in the rate of movement from farm to city and from city to farm. They corroborate the results of a recent survey in which at least 7,500 out of 20,000 reporting farmers gave inadequate income as the reason for leaving their farms, and they show that the lack of employment and low wage earnings in industrial centers have a similar influence on the movement of population from cities to farms. They demonstrate also that the net movement from farm to city—that is, the excess of the movement from farms over the movement from cities—is a reflection of agricultural conditions relative to industrial conditions, and, finally, give evidence of one of the many interrelationships between agricultural and industrial stability.

These conclusions are based on the data in the accompanying charts. The average farm incomes used here are those reported by approximately 15,000 farmers throughout the United States for the calendar years indicated and represent the difference between receipts and cash outlay. The population data ¹ are also estimates based on returns from about the same list of reporters. The measure of business activity is the calendar year index of industrial productive activity as computed by the Federal Reserve Bank of New York. It is used here to represent yearly variations in industrial employment and wage earnings.

¹See the Agricultural situation, Apr. 1, 1929.

If the average farm incomes for the years 1924 to 1928, inclusive, are compared with the number of people leaving farms, a striking inverse relationship is revealed. In line with what might be expected, low farm incomes are accompanied by an increased movement away from farms and higher incomes by a slower rate of movement. (See upper section of fig. 1.)

A similar comparison between industrial activity and the population shifts from city to country also reveals an inverse relationship. The years 1925 and 1926, in which industrial employment and wage earnings were relatively high, show smaller numbers of people moving

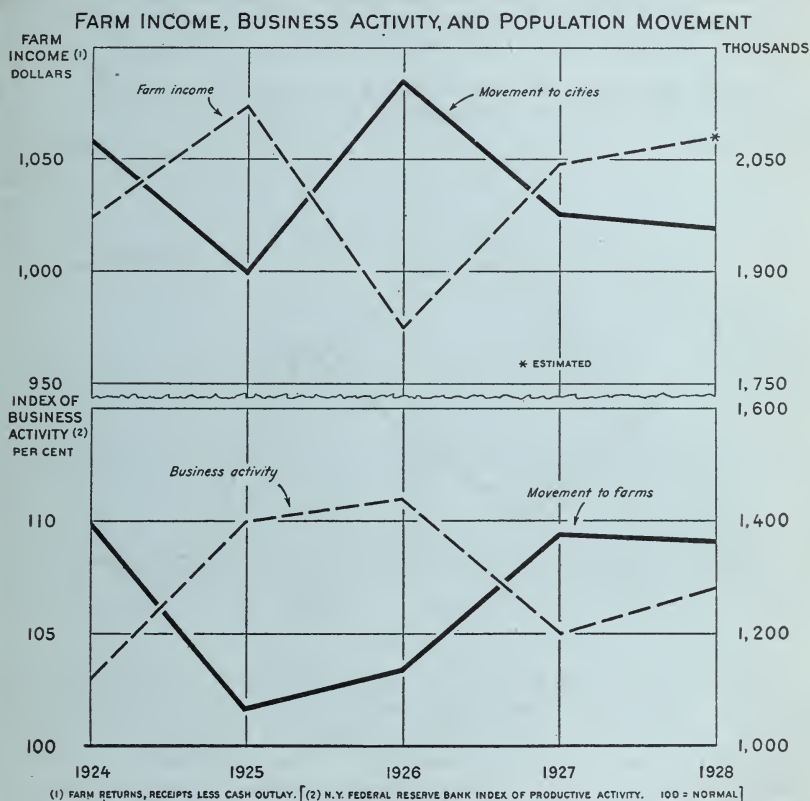


FIG. 1

to the country, while the years 1924, 1927, and 1928, when business activity was not at as high a level as in the other two years, the movement away from industrial centers was larger. (See lower section of fig. 1.)

These two comparisons tend to establish the fact rather clearly that the yearly variations in population shifts from farms are predominantly affected by agricultural conditions, and that the variations in the movement from cities is predominantly affected by industrial employment conditions. (See also fig. 3.)

There is some evidence in these data indicating that the movement from farms may also be influenced by good industrial conditions. For

example, the large number leaving farms in 1926 may reflect both the reduced farm incomes of that year and the high rate of industrial activity; and the greater movement from cities to farms in 1927 and 1928 may reflect both the reduced opportunities for industrial employment in those years and the improved agricultural income situation.

During the past seven years, the cityward movement has exceeded the number of arrivals from cities by around 600,000 in 1927 and 1928, and by over 1,000,000 in 1922 and 1926. The fact that there has been a larger number of farm people moving to cities for several years is undoubtedly a result of the generally low financial returns from farming compared with industrial earnings, and the expectation of greater opportunities and better living standards. The yearly variations in this net flow reflect also the yearly variations in farm income.

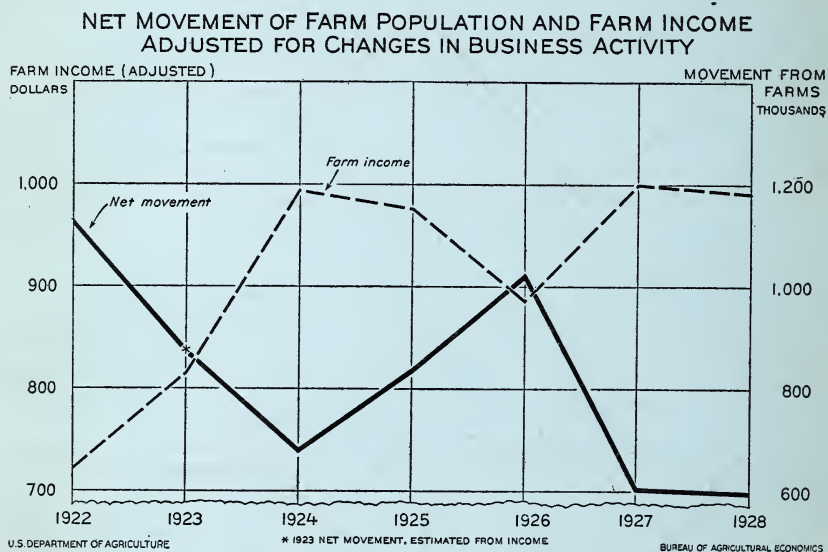


FIG. 2.

In Figure 2, the net movement from farms is compared with farm incomes, which have been adjusted for the variations in business activity (income divided by index of business activity). The effect of yearly variations in farm income (excluding the effect of industrial conditions) on the yearly losses in farm population is unmistakable. In addition to the year-to-year inverse relationship, there also appears to be a reflection of the recent upward trend in farm incomes in the downward trend in the net farm population movement.

The facts presented here are of interest not only because they show in specific terms that farmers have been moving to industrial centers because farm earnings have not been satisfactory, the rate of movement being slower in years of improved farm returns, but also because they demonstrate one of the many interrelationships between agriculture and business. Population shifts from farm to cities and their causes are factors to be taken into account in plans for industrial stability. Similarly, plans for agricultural stability need to take into account the movement of city population to farms. In years of business recessions, those who seek employment on farms undoubtedly

tend first to reduce the domestic demand for some farm products, and then to increase the supply of farm labor, and probably farm produc-

SUPPLY OF FARM LABOR AND INDUSTRIAL EMPLOYMENT 1919-1929

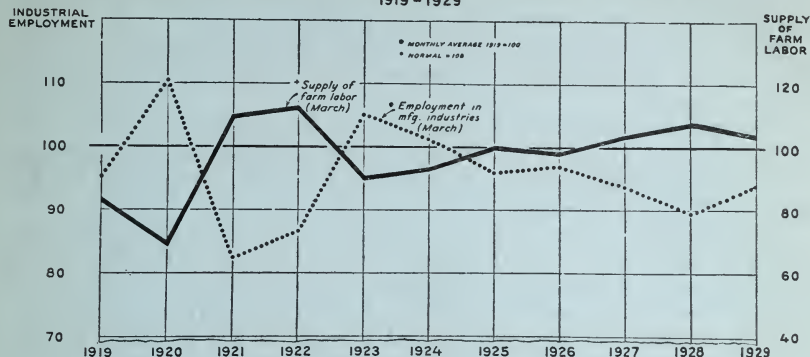


FIG. 3

tion. The relation between industrial employment and the supply of farm labor is clearly indicated in Figure 3.

L. H. BEAN,
Division of Statistical and Historical Research, B. A. E.

1928 PUREBRED LIVESTOCK PRICES

Prices of purebred or registered livestock were generally stronger in 1928 than they were the previous year, but the bulk of such animals sold were in reach of nearly everyone in need of a purebred sire to improve his herd.

Purebred beef cattle were higher during 1928 than in 1927. Hogs were slightly lower, whereas dairy cattle and sheep averaged slightly higher. Prices of purebred meat animals followed closely the trend of prices of slaughter animals at the central markets. The sharp advance in prices of beef cattle during the year was followed by advances in prices of registered animals of the leading beef breeds. Likewise a decline in market hogs was followed by a slight decline in prices of purebred swine. This is significant since both purebred hogs and cattle had been advancing steadily for the three years prior to 1928.

Heavy declines in slaughter-hog prices which occurred during the early spring and also in the fall of 1928, just at the time when breeders were holding their auction sales, undoubtedly affected the prices of purebred animals. Usually purebred prices are slow to react to slaughter prices, but when serious declines occur at the market during the sale season for purebreds, such declines usually have a serious lowering effect. The purebred beef cattle prices are based on reports from about 2,500 breeders to the United States Bureau of Agricultural Economics.

The 22,300 registered beef cattle reported sold in 1928 consisted of Aberdeen Angus, Herefords, Shorthorns, and Red Polled. This is a considerably smaller number than was reported in 1927.

A noticeable feature of the report is that all breeds of beef cattle, as well as all ages, both males and females, sold within a very narrow price range. Eighty per cent of the total number reported brought prices between \$75 and \$250, about 1 in 7 sold below \$75, while less

than 1 in 20 sold above \$250. These price ranges are similar to those of the previous year, except that in 1927 a much larger proportion sold below \$75. The bulk of the 1 and 2 year old heifers and bulls and also the older cattle averages around \$150, with a few outstanding individuals selling between \$750 and \$1,000.

Two-thirds of the sales were reported from the Corn Belt, or North Central States, and most of the remainder were sold in the South Central States.

Purebred hog prices were slightly lower in 1928 than in 1927. The decline, however, occurred chiefly in the auction sale prices, which were comparatively few in numbers, and not in the prices of those disposed of at private sale.

The purebred swine report is based on the sale of 24,000 head, including the five leading breeds, namely Berkshire, Chester White, Duroc Jersey, Hampshire, and Poland China. Three-fourths of this number, however, consisted of Poland Chinas and Duroc Jerseys.

Approximately 75 per cent sold at a range of \$25 to \$60, a few outstanding individuals selling at \$150 and above. Nine-tenths of the purebred hogs were sold in the Corn Belt, or North Central States.

Prices of purebred dairy cattle, including five of the leading breeds, ranged from steady to higher in 1928 than in 1927. This was in line with the prices of dairy products, which held steady to strong during most of the same period. More than 17,000 animals of all ages, including Ayrshires, Brown Swiss, Guernseys, Holsteins, and Jerseys, were reported sold during 1928. Combining the auction and private sales the report shows that two-thirds of the 5,800 bull calves sold between \$50 and \$200, or an average price of \$125. Two top calves sold above \$3,000 each. The bulk of the 1 and 2 year old bulls averaged about \$150 with 28 per cent selling above \$200. Less than half as many heifer calves as bull calves were sold. A majority of the 1 and 2 year old heifers, together with the cows, sold between \$100 and \$250. One-fourth of the total number, however, sold at an approximate average of \$350. The 1928 report shows that 90 per cent of the animals sold were disposed of at private treaty and only 10 per cent sold at auction. Half of the dairy cattle were sold in the North Central States, 30 per cent in the North Atlantic States, and the balance in the South and West. It may be noted that the report indicates that in the northeastern section of the United States dairy cattle are the principal kind of livestock produced. Also that the dairy industry is gradually moving westward toward the section of heaviest feed production.

Prices of purebred sheep were also slightly higher in 1928 than a year earlier, according to reports sent to the department by breeders of 10 leading breeds. Only Hampshire, Rambouillet, and Shropshire breeds, however, reported sufficient numbers of animals to be significant. Sales of Rambouillet sheep, reported for 1928, were much smaller than in 1927 but the other two breeds reported more animals sold.

The bulk of the sheep sold at prices ranging from \$30 to \$75 with a few selling above \$150. A majority were sold in the range States and practically all at private treaty.

With the bulk of registered livestock selling at the price quoted, it should not be difficult to replace scrub or low-grade sires in all herds.

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